



USDA Economic Diversification in Southeast Alaska

Key Message

USDA and USDOC agencies in Alaska are working together to find new ways to collaborate with business leaders, other agencies and partners to support sustainable job growth and healthy communities in Southeast Alaska. This renewed emphasis is focusing on sectors of the economy with good growth potential: renewable energy, forest restoration, fisheries and mariculture, and tourism and recreation.

Background

Most of the land in Southeast Alaska is publicly owned and managed by the Tongass National Forest. About 70,000 people reside in 32 towns and villages within the Tongass. Many of these communities are isolated and only accessible by boat or plane. Residents are very reliant on natural resource-based industries. Currently, the fishing, tourism, and mining industries support the largest number of jobs. At its peak, jobs in the timber industry were comparable to the fishing industry. Today, timber jobs are at the lowest level in the last 50 years.

Current Situation

Secretary of Agriculture Tom Vilsack has directed USDA agencies, Forest Service (FS), Rural Development (RD), and Farm Services Agency (FSA) to develop a strategy known as the Transition Framework to help Southeast Alaska diversify and strengthen its economy. Currently, the economy, population, and the health of small communities is in decline. Young people are moving away and schools are closing. Yet the region is rich in natural resources including wild salmon, old growth forests, abundant wildlife, minerals, water, and renewable energy.

The focus of the transition is on supporting job growth and healthy communities through partnerships and alignment of USDA and USDOC resources. Growth opportunities in natural resource based sectors were identified through a series of community listening sessions and a contract with Juneau Economic Development Council (JEDC). The JEDC contract resulted in a report on assets important to economic growth and over 30 action initiatives to create jobs in SE Alaska. The action initiatives were developed by economic cluster work groups facilitated by JEDC over a 5 month period. These reports are available on the JEDC website (jedc.org).

The four economic cluster work groups were formed under JEDC's leaderships and consisted of leaders from business, government, and non-government organizations. The charge of these collaborative groups was to produce a set of actions that would create jobs and give SE Alaska a competitive advantage in four natural resource based sectors: Ocean Products, Visitor Services, Forest Products and Renewable Energy.

USDA and USDOC agencies are preparing a Strategic Investment Plan that will be submitted to the Secretary of Agriculture in July, 2011. This report will identify agency actions to support the initiatives in the economic cluster groups and Tongass NF actions that are in alignment with transition priorities.

A USDA-USDOC Implementation Team has been meeting to oversee the development and implementation of this effort. State, tribal, and local government leaders have met with the Implementation team and partners to help formulate follow-up efforts.

More Information

Jon R. Martin, Economic Diversification Coordinator, (907) 747-4236, or Beth Pendleton, Regional Forester, (907) 586-8863.